

SENATE RECORD VOTE ANALYSIS

105th Congress
2nd Session

Vote No. 221

July 22, 1998, 4:13 p.m.
Page S-8734 Temp. Record

COMMERCE-JUSTICE-STATE/Social Security Reform, Then Tax Relief

SUBJECT: Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill for fiscal year 1999 . . . S. 2260. Gregg modified amendment No. 3255.

ACTION: AMENDMENT AGREED TO, 55-45

SYNOPSIS: As reported, S. 2260, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill for fiscal year 1999, will provide a total of \$33.239 billion in new budget authority, which is \$1.115 billion more than appropriated for fiscal year (FY) 1998 and is \$3.647 billion less than requested. The bill contains large spending increases for various law enforcement activities.

The Gregg modified amendment would express the sense of the Senate that Congress and the President: should continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses; should work in a bipartisan way on specific legislation to reform the Social Security system to ensure that it is financially sound over the long term and will be available for all future generations; should save Social Security first; and should return all remaining surpluses to the American taxpayers. The amendment would make several findings on the importance of the Social Security System and on the justness of, and the benefits that would come from, using the budget surpluses that will accumulate in the next 10 years to strengthen that system.

NOTE: The Gregg amendment was debated concurrently with a Hollings amendment. See vote No. 222.

Those favoring the amendment contended:

The Senate frequently votes on sense-of-the-Senate amendments that really have very little effect. Occasionally, though, amendments like the Hollings amendment and the Gregg amendment are offered that signal that major changes in policy are likely soon to be made. In this case, the pending amendments address the greatest long-term problem that the United States faces, which

(See other side)

YEAS (55)		NAYS (45)		NOT VOTING (0)	
Republicans (55 or 100%)	Democrats (0 or 0%)	Republicans (0 or 0%)	Democrats (45 or 100%)	Republicans (0)	Democrats (0)
Abraham	Hutchinson	Akaka	Johnson		
Allard	Hutchison	Baucus	Kennedy		
Ashcroft	Inhofe	Biden	Kerrey		
Bennett	Jeffords	Bingaman	Kerry		
Bond	Kempthorne	Boxer	Kohl		
Brownback	Kyl	Breaux	Landrieu		
Burns	Lott	Bryan	Lautenberg		
Campbell	Lugar	Bumpers	Leahy		
Chafee	Mack	Byrd	Levin		
Coats	McCain	Cleland	Lieberman		
Cochran	McConnell	Conrad	Mikulski		
Collins	Murkowski	Daschle	Moseley-Braun		
Coverdell	Nickles	Dodd	Moynihan		
Craig	Roberts	Dorgan	Murray		
D'Amato	Roth	Durbin	Reed		
DeWine	Santorum	Feingold	Reid		
Domenici	Sessions	Feinstein	Robb		
Enzi	Shelby	Ford	Rockefeller		
Faircloth	Smith, Bob	Glenn	Sarbanes		
Frist	Smith, Gordon	Graham	Torricelli		
Gorton	Snowe	Harkin	Wellstone		
Gramm	Specter	Hollings	Wyden		
Grams	Stevens	Inouye			
Grassley	Thomas				
Gregg	Thompson				
Hagel	Thurmond				
Hatch	Warner				
Helms					

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

We are not arguing for implementing that plan over any of the other meritorious ideas that are being put forward, but we are saying that we should come to a decision on one of them soon. The sooner we put a plan into effect, the better it will work because of the snowball effect of compounding interest. If we start a plan rolling now, we will not have to invest nearly as much to get the trillions of dollars in savings needed in the coming decades. In fact, the Gregg plan and many of the other plans that have been suggested would cost much less than \$1.6 trillion. If we act now, we can put Social Security back into permanent health and still have substantial sums left over. The Gregg amendment, in recognition of that fact, states that once Social Security is saved, any

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remaining surpluses should be given back to the American people in tax relief instead of spent. We know many of our Democratic colleagues would much rather spend that money. Even before Social Security has been saved, we know for instance that President Clinton proposed breaching this year's spending caps by \$56 billion. Republican priorities are just clearly different in this regard. The percentage of income that the average American family has to pay in income is already at a record-high level. We would rather cut taxes, and let people spend their own money instead of having the Federal Government take it and spend it.

The unstated, underlying premise of the Hollings amendment--that we ought to run budget surpluses to pay down the debt--is clearly not the best way to strengthen Social Security. Much more needs to be done, and can be done at a smaller cost than proposed by the Hollings amendment, to save Social Security. The Gregg amendment clearly champions making reforms to Social Security that will save it for 100 years or more, and that will leave further substantial savings to give the American people much deserved tax relief. As we said at the outset, these two amendments appear to be very similar, but actually advocate very different courses of action. The course advocated by the Hollings amendment would be costly and disastrous for Social Security; the course advocated by the Gregg amendment would save Social Security and allow family tax relief. We thus urge the rejection of the Hollings amendment and acceptance of the Gregg amendment.

Those opposing the amendment contended:

We have offered the Hollings amendment because we are disturbed by the frequent calls we have been hearing from our Republican colleagues for tax cuts that they would pay for with the so-called "budget surpluses." There are no such surpluses, and there will not be for many years. Social Security will continue to take in more than it pays out, and the "unified" budget surpluses will be smaller than those Social Security surpluses. All of the Social Security surpluses are put directly into the general fund of the Treasury, and the Social Security Trust Fund is given Treasury notes, or IOUs. In other words, it is an even transaction--cash for an equal amount of debt. However, under unified budgeting, only the cash is counted on the books. The Federal Government gets away with this gimmickery by saying that it should not count those IOUs because it is money it owes to itself. However, it is wrong--it is money that it owes to the American people, and it holds that money in fiduciary trust. Any bank or insurance company that tried this gimmick would instantly be shut down. The Federal Government should not be held to a lesser standard of responsibility. In 1998, the Social Security Trust Fund surplus will be \$105 billion. The unified budget surplus that we are predicting this year is less than that amount. In other words, the budget is not really balanced. The only way that it can be counted as in balance is by counting the money that is raided from Social Security. We have been fighting against this deception for many years. Nearly a decade ago, we managed to get an amendment adopted to make it illegal. Every budget that we consider shows deficit numbers that do not count the Social Security surpluses. Unfortunately, every year Congress and the President refuse to look at those numbers or talk about them. They are written down, but they are ignored. Everyone instead uses the gimmick numbers of unified accounting. The economy is doing very well right now, and we give a huge part of the credit to Democrats for courageously enacting a huge tax hike in 1993. Instead of running huge deficits under unified accounting, we are now nearly in balance using honest accounting. We are pleased with that progress, and want it to continue. We think every Member should continue to push for a balanced budget without touching Social Security. Those surpluses in that program need to be saved so that the program will not go broke in the not-to-distant future. Talk of tax cuts at this point is dangerous. If we give back the revenues we are now getting, with the budget almost in balance, we will make it much less likely that the budget ever will be in balance and that we will be able to save Social Security. The Hollings amendment, which we support, expresses strong support for saving Social Security. The Gregg amendment, which has been offered as an alternative, expresses the same support, but then it makes the dangerous statement that we should also support tax cuts. We absolutely should not. We urge our colleagues to support the Hollings amendment and to reject the Gregg amendment.